

FINANCIAL HARDSHIP CHECKLIST (For District Use Only)

as of June 3, 2002

Verification of reasonable effort to meet matching fund requirements

1. District must meet item "A" and at least one of item "B" below

A. District must be levying developer fees at the maximum developer fee justified under law or an alternative revenue source equal to or greater than the developer fee otherwise justified under law at the time of request for hardship. (If COE, go directly to Evidence Required section; otherwise, If yes, go to B1; if no, not eligible)

B1. Bonded indebtedness of district must be at least 60% of total bonding capacity of the district. (If yes, go to Evidence Required section; if no, go to B2)

B2. If the District is not bonded to 60%, it must have had a successful registered voter bond election for at least the maximum amount allowed under Proposition 39 within the previous two years from the date of request for financial hardship status. The proceeds from the bond election that represent the maximum amount allowed under the provisions of Proposition 39 must be used to fund the district's matching share requirement for SFP project(s). (If yes, go to Evidence Required section; if no, go to B3)

B3. Applicant is a County Superintendent of Schools (If yes, go to Evidence Required section; if no, go to B4)

B4. The district's total bonding capacity at the time of the request for financial hardship status is \$5 million or less. (If yes, go to Evidence Required section; if no, go to B5)

B5. Other evidence of reasonable effort as approved by the SAB (if the special appeal was approved by the SAB, go to Evidence Required section; if the appeal was denied, not eligible)

Evidence Required

1. "Financial Hardship Project Worksheet" for each project the district is requesting financial hardship assistance.
2. Summary of why the district is requesting financial hardship. This can be a short paragraph, summarizing how the district meets the financial hardship criteria.
3. Summarized worksheet reflecting district's financial condition from the latest independent audit report, along with subsequent transactions to arrive at current available funds (please use the Financial Hardship Worksheet). A separate worksheet must be submitted for each fund within the Capital Projects Fund.
4. Detailed expenditure report (such as an Excel spreadsheet) listing all expenditures as shown in the subsequent events (Column 2) for each Financial Hardship Worksheet submitted. This must be very specific, and list each expenditure, especially for requests for renewal of financial hardship. If this is not submitted, all of the expenditures shown will be disallowed, and deemed as "funds available."
5. Identify restricted funds such as "Class Size Reduction."
6. Identify the purpose and provide necessary documentation for any restrictions on funds within the special reserve fund listed in the district's Capital Projects Fund.
7. Documentation supporting any encumbrances the district is claiming (i.e. contracts/payment schedules). This must be a contractual obligation - a school board resolution is not sufficient to prove an encumbrance.
8. Identify all bonds and COPs authorized and sold to date of financial hardship request. If the district has unsold bonds or COPs, please provide documentation regarding any possible restrictions on the use of these funds.

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Required Documents continued

9. Report all funds spent on SFP project(s) to date of financial hardship request on Forms SAB 184 and SAB 184A. A separate expenditure report must be submitted for each Financial Hardship Project Worksheet. If no funds have been spent on the project(s), submit a written statement to that effect.

10. Current Enrollment Certification/Projection (Form SAB 50-01) and Existing School Building Capacity (Form SAB 50-02), so we can calculate the "interim housing" allowance. This allowance is only for interim housing for new construction projects; this is not required if the district is only requesting approval for modernization projects.

11. Copy of complete latest independent audit report.

12. Listing of the District's unused site(s) and intended purpose(s) or a statement that the district has no unused site.

13. Listing of any funds available for facility purposes from the following sources:

- 1) Developer fees
- 2) Funds generated from capital facility COP's
- 3) Federal grants
- 4) Redevelopment funds
- 5) Sale proceeds from surplus property
- 6) Appraised value of facilities approved for replacement pursuant to Section 1859.82
- 7) Other funds for facility purposes Please provide the following documentation to correspond with the criteria listed under 1 A and B

A. Maximum developer fee:

- 1) Copy of district's school board resolution authorizing fee
- 2) Copy of district's "Needs Analysis" if in accordance with Government Code Section 65995.5
- 3) Justification for an alternative revenue source

B1. Bonded Indebtedness:

- 1) Copy from County Auditor-Controller certifying the District's bonding capacity based on the district's current year assessed valuation
- 2) Documentation on current outstanding bonded indebtedness

B2. Voter Bond Election:

- 1) Copy of ballot issue
- 2) Certification from Registrar of Votes
- 3) Date of election; amount of bond; purpose of bond; percent of "Yes" vote on bond
- 4) Copy from County Auditor-Controller certifying the District's current bonding capacity and outstanding bonded indebtedness

B3. Copy from County Auditor-Controller certifying the District's current bonding capacity and outstanding bonded indebtedness

B4. Board item approved by the State Allocation Board (District must have already submitted an appeal on Form SAB 189, School District Appeal Request).